## LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 6774 NOTE PREPARED:** Feb 23, 2010 **BILL NUMBER:** HB 1106 **BILL AMENDED:** Feb 23, 2010

**SUBJECT:** Various Election Law Matters.

FIRST AUTHOR: Rep. Battles BILL STATUS: 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

FIRST SPONSOR: Sen. C. Lawson

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) *Challenges to a Candidate's Eligibility-* Authorizes a challenge to a candidate's eligibility to seek an office to be filed by a registered voter of the jurisdiction conducting the election (rather than a registered voter of the election district the candidate seeks to represent).

Seal of Provisional Ballot Materials- The bill requires the circuit court clerk (CCC) to seal provisional ballots and election material related to provisional ballots during the time allowed to file a verified petition or cross-petition for a recount of votes or to contest an election.

*Inspection of Provisional Ballot Materials*- The bill requires that election material related to provisional ballots (excluding the provisional ballots themselves) be made available for copying and inspection under the access to public records law in the same manner as other election material.

Vote Centers- The bill establishes the use of vote centers as an option for all counties. The bill requires the county election board (CEB) to adopt an order designating a county a vote center county (VCC), adopt a plan to administer the vote centers, and file the order and the plan with the Election Division. The bill requires the CEB to accept and consider public comment before adopting an order designating the county as a VCC. The bill provides that designation of a county as a VCC remains in effect until the CEB rescinds the order designating the county as a VCC and files a copy of the rescission with the Election Division. The bill requires that a county's vote center plan must incorporate certain elements.

*Electronic Poll Lists*- The bill provides that an electronic poll list must be programmed so that access to the list requires the coordinated action of two precinct election officials who are not members of the same political party. The bill allows an electronic poll list used at a vote center to include an electronic image of

the voter's signature, if available.

*Vote Totals*- The bill authorizes a precinct election board (PEB) administering an election at a vote center to report the vote totals by precinct on election night.

Automatic Redesignation- The bill redesignates automatically as a VCC a county previously designated a vote center pilot county.

Establishment of One Satellite Office- The bill requires a vote center pilot county to establish at least one satellite office for absentee voting.

Reimbursement of Local Election Expenses by State- The bill allows a county to seek reimbursement from the Election Division for expenses incurred in complying with provisions concerning the establishment of at least one satellite office in a vote center pilot county.

Repealers- The bill repeals the expiration date of the vote center program and provisions that: (1) require the Secretary of State's approval of the vote center designation; and (2) allow the Secretary of State to revoke the vote center designation.

Effective Date: July 1, 2010; January 1, 2011.

<u>Explanation of State Expenditures:</u> (Revised) *Vote Centers*- The Election Division would have to file the paperwork for new permanent vote centers adopted by a county election board. The Election Division's existing level of resources would be sufficient to carry out this provision.

Reimbursement of Local Election Expenses by State- Any additional expenditures that would be made under this provision would depend on the funds available. This provision does not provide an appropriation to cover local reimbursement requests. Ultimately, the source of funds and resources required to satisfy the requirements of this bill will depend on legislative and administrative actions.

<u>Background-</u> The Election Division was appropriated \$897,752 by the General Assembly for FY 2011.

## **Explanation of State Revenues:**

<u>Explanation of Local Expenditures:</u> Seal of Provisional Ballot Materials- This provision would impact local expenditures minimally. Clerks would be able to seal provisional ballot materials within existing staff time.

(Revised) *Vote Centers*- The establishment of vote centers could reduce the expenditures needed to conduct an election, including payment of fewer poll workers and printing of poll books. However, start-up expenses such as the establishment of an electronic poll book database could offset some of the potential savings. The impact on local expenditures would depend on the adoption of ordinances by county election boards (under unanimous approval) and resolutions of approval by both the county executive and county fiscal body.

(Revised) *Electronic Poll Lists*- This provision could reduce time and expenditure of election officials by allowing the option to place electronic signatures into electronic poll lists.

(Revised) *Establishment of One Satellite Office*- Counties that elect VCC status would have to have at least one satellite office for absentee voting. The impact of this provision would depend on several factors: where the satellite office is housed, the number of staff members, and the number of days and hours of operation. The VCC would be able to apply for reimbursement from the Election Division. (See *Explanation of State Expenditures*, above.)

## (Revised) Background and Additional Information -

Election Expenses- Tippecanoe County paid their vote center inspectors \$170 per day during the 2007 election, partially to include increased training time (four hours), versus \$160 for a conventional election. Two of the larger expenditures for Tippecanoe County included \$10,750 for electronic polling software and mailing voter postcards at \$12,465.

Vote Centers: Reduction of local expenditures would depend largely on requiring one vote center per 10,000 active voters (in counties with 25,000 or more active voters). The following table depicts the number of precincts vs. the potential number of vote centers statewide (if all counties established vote centers at a one-to-10,000 ratio).

| Table A. Voter Statistics                           |           |
|---|-----------|
| Active Voters (4/30/2008)*                          | 3,912,413 |
| Minimum Vote Centers (one per 10,000 voters)        | 391       |
| Inactive Voters (4/30/2008)*                        | 406,144   |
| Number of Active Precincts (5/6/2008)*              | 5,346     |
| 2008 General Election Registered Voters             | 4,514,759 |
| 2008 General Election Voters Actually Voting        | 2,805,986 |
| *Most recent data available from Secretary of State |           |

The impact would be overstated if it were assumed the number of precincts coincides with the number of polling places. Some precincts are housed together in the same polling place and rely on the same voting equipment. However, there would be an overall reduction in the number of polling places if every county maintained a vote center for at least 730 or more active voters. Each precinct is required to maintain a separate precinct election board. Assuming a ratio of one center per 10,000 voters was generally followed, hundreds of precinct election boards would be eliminated by vote centers. Any actual savings would vary by county since many paid precinct election board positions go vacant due to shortage of poll workers or already have been eliminated by various county election boards as unnecessary.

Satellite Offices- Marion County which does not have vote centers had two satellite offices during the 2008 general election with total expenditures of approximately \$112,000. Tippecanoe County also has had satellite offices in recent past elections.

**Explanation of Local Revenues:** Mailing of Notices-Penalty Provision: If additional court actions are filed

and a judgment is entered, local governments would receive revenue from court fees. However, any additional revenue is likely to be small.

Reimbursement of Local Election Expenses by State- Local revenues could increase by an indeterminable amount depending on the amount of funds available for the Election Division to reimburse local governments.

**State Agencies Affected:** Election Commission, Election Division, Secretary of State.

**<u>Local Agencies Affected:</u>** Precinct election boards, circuit court clerks, county election boards.

<u>Information Sources:</u> Indiana State Budget Agency: *General and Rainy Day Fund Summaries, June 30, 2008*; Indiana Office of Secretary of State (Election Division); Linda Phillips, Tippecanoe County Circuit Court Clerk; Angie Nesmeyer, Marion County Election Board; 317-327-5100.

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